



TENNESSEE FACT SHEET

- Tennessee's** 2006 average hourly wage for production workers is lower than the national average.
Tennessee.....\$14.04 United States.....\$16.80
- Tennessee's** 2006 union membership for all industries and manufacturing compared to the national average:
Tennessee.....6.0% all—8.2% mfg. United States.....12.0% all—11.7% mfg.
- Tennessee** is a right-to-work state.
- Tennessee's** borders are within one day's delivery of 76% of the major United States markets.
- Tennessee** offers one of the lowest per capita tax burdens and lowest overall utility costs in the nation, and no sales tax on industrial equipment.
- Tennessee's** manufacturers are allowed an investment tax credit of 1% to 10% on the purchase, installation and repairs of qualified industrial machinery.
- Tennessee** allows a tax credit of \$2,000 or \$4,500 (in economically distressed counties) per new job against franchise and excise tax liability for qualified businesses. Minimum of 25 jobs and \$500,000 capital investment.
- Tennessee's** distributors are exempt from property taxes on inventories of work-in-progress and finished goods.
- Tennessee's** distributors and warehouse facilities have no sales tax on purchases of material handling and racking systems associated with required capital investment of \$10 million and are allowed excise tax credit of 1% of purchase price of material handling and racking systems associated with required capital investment of \$10 million.
- Tennessee** exempts finished goods inventories over \$30 million of manufacturers or warehouse and distribution facilities from the franchise tax.
- Tennessee's** FastTrack Job Training Assistance program is available to new and expanding industry.
- Tennessee** Valley Authority operates one of the largest electric power systems in the United States in terms of generating capacity.
- Tennessee's** 2007 population estimate of 6,156,719 represents a 8.2% increase over the 2000 census. (Tennessee is 17th in percent population change from 2000 to 2007.)
- Tennessee** has six foreign trade zones in Chattanooga, Knoxville, Memphis, Nashville and the Tri-Cities area.
- Tennessee's** City of Memphis has the world's busiest cargo airport and in the U.S. is: first out of 100 largest cities in percentage of logistics workforce, third in Class I railroad service, fourth largest inland port, the central hub for Federal Express and a major hub for Northwest Airlines.
- Tennessee's** Oak Ridge/Knoxville area is home to over 1,000 technology-based companies with more than 45,000 technical professionals; over 3,500 PhDs; and more than 10,000 scientists, professionals and technical workers employed by the U.S. Department of Energy.
- Tennessee** is ranked 16th best in the United States for "business tax friendliness" by the Tax Foundation, Washington, DC. (FY 2008)
- Tennessee** is ranked the 13th "friendliest" state for small business by the Small Business & Entrepreneurship Council, Washington, DC. (2007)
- Tennessee** is home for over 200 *Fortune 500* companies with a presence in Tennessee.

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